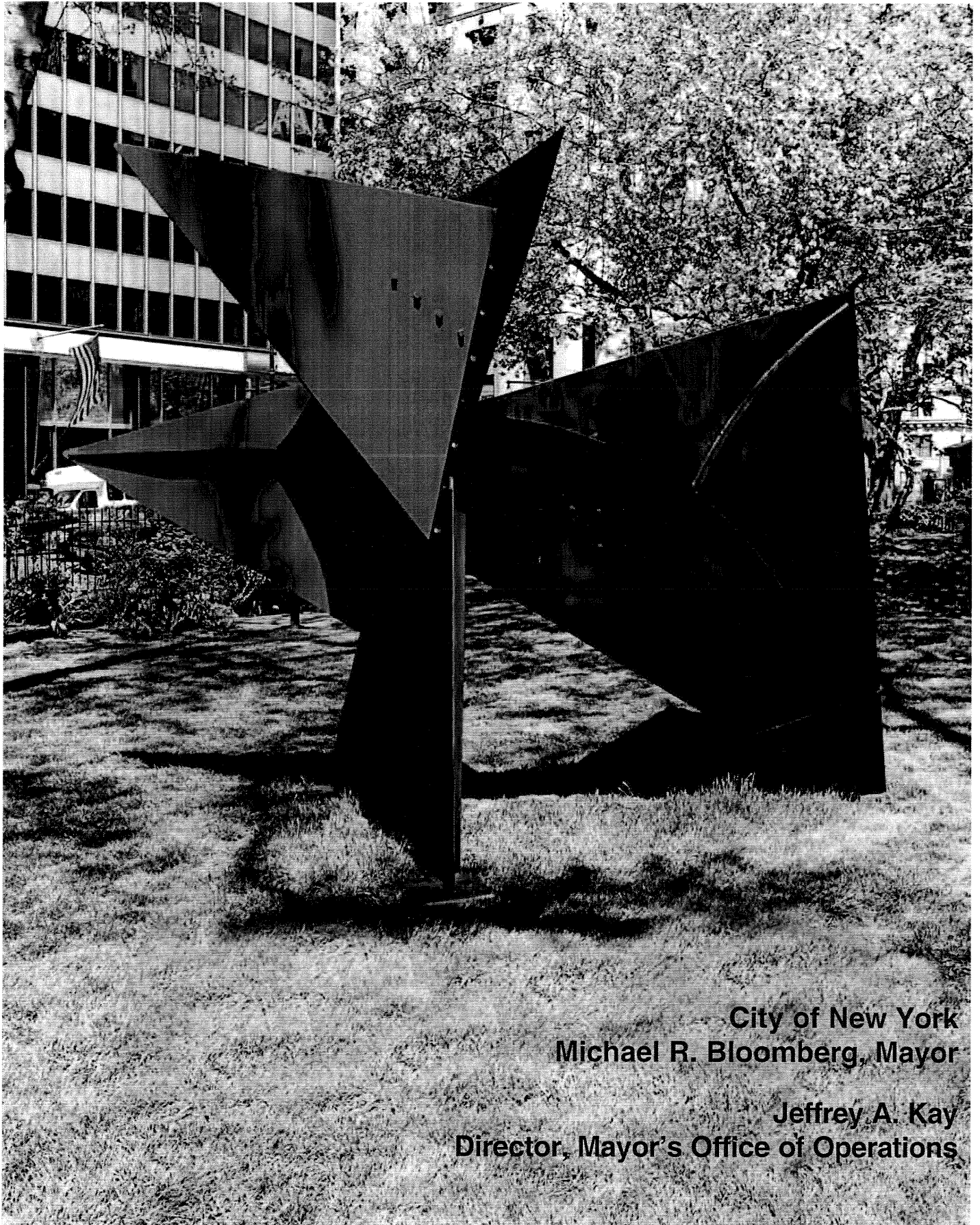


**EXHIBIT 3**



# PRELIMINARY MAYOR'S MANAGEMENT REPORT FEBRUARY 2007



**City of New York**  
**Michael R. Bloomberg, Mayor**

**Jeffrey A. Kay**  
**Director, Mayor's Office of Operations**





# THE MAYOR'S MANAGEMENT REPORT PRELIMINARY FISCAL 2007

City of New York  
Michael R. Bloomberg, Mayor

Jeffrey A. Kay  
Director, Mayor's Office of Operations

February 2007



# ADMINISTRATION FOR CHILDREN'S SERVICES

John B. Mattingly, Commissioner

## Key Public Service Areas

- ✓ Protect children from abuse and neglect.
- ✓ Provide preventive and foster care services to meet the needs of children and families.
- ✓ Ensure timely reunification or adoption services based on the needs of the child.
- ✓ Ensure access to quality, safe child care and Head Start services in communities.

## Scope of Agency Operations

The Administration for Children's Services (ACS) is responsible for protecting the City's children from abuse and neglect. ACS investigates child abuse and neglect reports involving approximately 89,000 children annually and provides preventive services to an average of 28,000 children. ACS provides foster care for approximately 17,000 children through 44 foster care agencies citywide, and helps arrange for the adoption of approximately 2,000 children a year. ACS also funds and supports 263 Head Start centers and enrolls 61,000 children in child care programs through contracted providers or child care vouchers.

## Critical Objectives

- Respond within 24 hours to every allegation of abuse and neglect, and perform thorough assessments of safety and risk.
- Increase access to quality, neighborhood-based services to support families and prevent placement or re-entry into foster care.
- Maximize rate of placement of children in foster homes within their own neighborhoods.
- Maximize rate of placement of children in foster care with family members and placement of children with their siblings as appropriate.
- Enhance family involvement in service planning for children in foster care.
- Provide a safe, stable foster care environment for children.
- Decrease the length of time children remain in foster care.
- Ensure availability and accessibility of child care services in communities.

## Preliminary Performance Highlights

- ACS has experienced a dramatic increase in reports this year as a result of heightened public awareness and improved interagency coordination following several child fatalities in late 2005 and January 2006. Abuse and neglect reports grew by 27 percent from the first four months of Fiscal 2006 to the same months of Fiscal 2007. In response, ACS has taken action to improve the investigation of abuse and neglect reports and strengthen child protection, including hiring more than 600 frontline staff, introducing an improved tracking system, and enhancing training and leadership. As a result, ACS performance in responding to allegations within 24 hours improved for the first time in several years, from 93.9 percent to 94.2 percent for the reporting period.
- The Mayor's Interagency Task Force on Child Welfare and Safety, convened in January 2006, has also made striking progress in improving the city's coordinated response to abuse and neglect. The Department of Education expedited its investigations of extended student absences and instituted new absence-alert protocols; the NYPD established a 24-hour Central Intake desk, through which ACS Instant Response Team coordinators can obtain NYPD assistance in cases of safety concerns or to execute a warrant or entry order; and the City partnered with the medical community in an unprecedented campaign to increase awareness of abuse and neglect and provide mandated-reporter training to thousands of medical personnel in public and private hospitals.
- The number of children receiving preventive services through ACS-contracted programs increased by 4.6 percent for the reporting period, reaching an average of 28,572 for the months July through October 2006.
- Placements of children into foster care rose by 52 percent from the first four months of Fiscal 2006 to the same period in Fiscal 2007, reflecting the increase in ACS protective caseloads; however, the overall average number of children in foster care remained virtually the same. While the number of children in foster boarding homes rose slightly, more children were served in less restrictive environments, as the population of children in congregate foster care settings fell by eight percent for the reporting period. Foster care services better met the needs of children in care, as the



proportion of children in foster care undergoing two or more transfers between facilities fell from 46 percent to 44 percent.

- Abuse and neglect reports alleging maltreatment of children in foster care and child care increased by nearly 23 percent for the reporting period, reflecting the overall trend in reports received.
- The proportion of children in ACS care who were reunited with their parents within 12 months rose strongly, from under 45 percent to 56.5 percent. In addition, while the number of adoptions completed through ACS was smaller, measures of the time needed to arrange adoptions were faster.
- The number of children enrolled in publicly-funded child care programs administered by ACS, including group child care, family child care, and Head Start programs, increased by 2.6 percent or nearly 2,000 children. Utilization rates for these programs also rose for the reporting period.

## Performance Report

### ✓ Protect children from abuse and neglect.

Performance Statistics	A c t u a l			September 2006 MMR FY07 <sup>1</sup>	Updated FY07 <sup>1</sup>	FY08 <sup>1</sup>	4-Month Actual FY06	4-Month Actual FY07
	FY04	FY05	FY06					
<i>Abuse and/or neglect reports responded to within 24 hours of receipt from the State Central Registry (%)</i>	96.9%	96.4%	94.2%	100.0%	100.0%	100.0%	93.9%	94.2%
<i>Children in completed investigations with repeat investigations within a year (%)</i>	18.6%	20.3%	21.4%	*	*	*	19.9%	21.8%
<i>Children in substantiated investigations with repeat substantiated investigations within a year (%)</i>	10.5%	11.7%	12.6%	10.0%	10.0%	10.0%	11.7%	14.0%

<sup>1</sup>Numeric Target    ☎ 311 related    **Bold** - indicates revisions from the September 2006 MMR    "NA" - means Not Available in this report

### ✓ Provide preventive and foster care services to meet the needs of children and families.

Performance Statistics	A c t u a l			September 2006 MMR FY07 <sup>1</sup>	Updated FY07 <sup>1</sup>	FY08 <sup>1</sup>	4-Month Actual FY06	4-Month Actual FY07
	FY04	FY05	FY06					
<i>Children receiving contract preventive services</i>	29,451	28,781	27,181	*	*	*	27,311	28,572
<i>Children in foster care (average)</i>	22,082	18,968	16,747	*	*	*	16,879	16,827
<i>- Children in foster boarding homes</i>	18,059	15,412	13,375	*	*	*	13,843	14,036
<i>- Children in congregate care</i>	4,023	3,556	2,972	*	*	*	3,036	2,791
<i>All children entering foster care</i>	6,299	4,909	6,214	*	*	*	1,498	2,277
<i>- New children entering foster care</i>	4,680	3,666	4,897	*	*	*	1,127	1,822
<i>Children who re-enter foster care within a year of discharge to family (%)</i>	8.6%	8.8%	7.8%	8.6%	8.6%	8.6%	8.4%	9.5%
<i>Children placed in foster care in their borough (%)</i>	72.0%	76.0%	72.8%	*	*	*	79.1%	63.5%
<i>Children placed in foster care in their community district (%)</i>	23.0%	21.1%	17.3%	23.0%	23.0%	23.0%	20.3%	13.8%
<i>Children entering foster care who are placed with relatives (%)</i>	19.4%	21.4%	25.5%	*	*	*	24.4%	30.8%
<i>Siblings placed simultaneously in the same foster home (%)</i>	87.3%	91.2%	89.5%	*	*	*	91.7%	87.1%
<i>Separated siblings in foster care receiving biweekly visits from their other siblings (%)</i>	71.3%	77.2%	78.1%	*	*	*	83.0%	71.0%
<i>Parents or caregivers attending Post-Removal 72-Hour Child Safety Conferences (%)</i>	70.7%	74.3%	78.6%	*	*	*	74.6%	74.0%
<i>Children in foster care who had two or more transfers from one facility to another (%)</i>	41.2%	44.7%	43.7%	*	*	*	46.0%	44.0%

<sup>1</sup>Numeric Target    ☎ 311 related    **Bold** - indicates revisions from the September 2006 MMR    "NA" - means Not Available in this report



Performance Statistics	A c t u a l			September	Updated		4-Month	4-Month
	FY04	FY05	FY06	2006 MMR FY07 <sup>1</sup>	FY07 <sup>1</sup>	FY08 <sup>1</sup>	Actual FY06	Actual FY07
Abuse and/or neglect reports for children in foster care and child care	1,463	1,330	1,551	*	*	*	408	527
- for children in foster care	1,209	1,095	1,256	*	*	*	321	401
- for children in child care	254	235	294	*	*	*	87	126
Abuse and/or neglect reports for children in foster care and child care that are substantiated (%)	19.9%	15.0%	16.8%	*	*	*	14.2%	18.8%
- for children in foster care (%)	19.2%	14.5%	15.2%	*	*	*	12.9%	19.0%
- for children in child care (%)	17.4%	17.4%	23.9%	*	*	*	27.0%	18.1%
Cost per foster care case \$								
- Congregate care by level of need								
- Level 1	\$131.34	\$134.90	\$144.57	*	*	*	Annual Only	
- Level 2	\$165.79	\$172.93	\$186.29	*	*	*	Annual Only	
- Level 3	\$175.02	\$182.95	\$200.02	*	*	*	Annual Only	
- Foster boarding home	\$49.10	\$51.91	\$54.58	*	*	*	Annual Only	

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✓ Ensure timely reunification or adoption services based on the needs of the child.

Performance Statistics	A c t u a l			September	Updated		4-Month	4-Month
	FY04	FY05	FY06	2006 MMR FY07 <sup>1</sup>	FY07 <sup>1</sup>	FY08 <sup>1</sup>	Actual FY06	Actual FY07
Median length of stay for children entering foster care for the first time who are returned to parent (months)	7.6	8.2	10.3	5.5	5.5	5.5	Annual Only	
Children returned to parent(s) within 12 months (%)	49.2%	44.6%	55.3%	45.0%	45.0%	45.0%	44.6%	56.5%
Children eligible for adoption (average)	3,610	3,083	2,792	*	*	*	Annual Only	
Children adopted	2,735	2,364	1,831	2,500	2,500	2,500	503	489
Median length of stay in foster care before child is adopted (months)	61.5	59.7	58.0	50	50	50	Annual Only	
Children adopted within 24 months from the time that adoption is decided as appropriate (%)	24.4%	26.3%	24.6%	*	*	*	23.4%	24.3%
Average time to complete adoption (years)	3.5	3.4	3.5	3.0	3.0	3.0	3.8	3.4

<sup>1</sup> Numeric Target    ☎ 311 related    **Bold** - indicates revisions from the September 2006 MMR    "NA" - means Not Available in this report

✓ Ensure access to quality, safe child care and Head Start services in communities.

Performance Statistics	A c t u a l			September	Updated		4-Month	4-Month
	FY04	FY05	FY06	2006 MMR FY07 <sup>1</sup>	FY07 <sup>1</sup>	FY08 <sup>1</sup>	Actual FY06	Actual FY07
☎ Child care capacity filled (%)	96.6%	96.9%	96.1%	99.0%	99.0%	99.0%	89.7%	90.8%
☎ Head Start capacity filled (%)	97.4%	97.7%	100.2%	95.0%	95.0%	95.0%	88.6%	92.1%
Cost per child care slot								
- Group child care (voucher) (\$)	\$6,511	\$6,615	\$6,956	*	*	*	Annual Only	
- Family child care (voucher) (\$)	\$5,710	\$5,620	\$6,085	*	*	*	Annual Only	
- Group child care (contract) (\$)	\$8,840	\$8,337	\$9,510	*	*	*	Annual Only	
- Family child care (contract) (\$)	\$5,775	\$5,950	\$6,942	*	*	*	Annual Only	
Cost per Head Start slot (\$)	\$9,277	\$8,808	\$8,797	*	*	*	Annual Only	

<sup>1</sup> Numeric Target    ☎ 311 related    **Bold** - indicates revisions from the September 2006 MMR    "NA" - means Not Available in this report

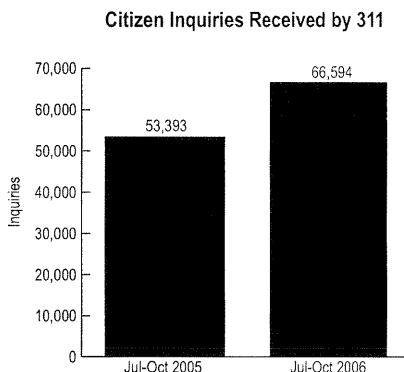




## Inquiries Received by 311 Citizen Service Center



The 311 Citizen Service Center received 66,594 ACS-related inquiries from July through October 2006. Agency performance measures related to the top inquiries in the table below are noted with a “311-related” icon - a small telephone symbol - in the Performance Statistics tables in this chapter.



<i>Top 5 ACS - related inquiries:</i>	Total	% of ACS Inquiries
<i>Subsidized Child Care - Recertification or Change</i>	10,551	15.8%
<i>Transfer ACS - Eligibility Appointment</i>	6,090	9.1%
<i>Subsidized Child Care - Information and Assistance</i>	5,703	8.6%
<i>Child Care Center - Preschool</i>	3,688	5.5%
<i>Head Start</i>	2,639	4.0%

## Agency Resources

Agency Resources	Actual			September 2006 MMR	Updated FY07 <sup>1</sup>	FY08 <sup>1</sup>	4-Month Actual FY06	4-Month Actual FY07
	FY04	FY05	FY06	FY07				
<i>Expenditures (\$ millions)<sup>2</sup></i>	\$2,257.3	\$2,283.6	<b>\$2,326.5</b>	\$2,469.5	<b>\$2,711.0</b>	\$2,632.0	\$1,387.7	\$1,601.4
<i>Revenues (\$ millions)</i>	\$4.4	\$3.5	<b>\$3.9</b>	\$3.4	\$3.4	\$3.4	\$0.9	-\$0.2
<i>Personnel</i>	6,343	6,411	6,682	7,324	<b>7,833</b>	7,818	6,532	6,800
<i>Overtime paid (\$000)</i>	\$12,363	\$14,547	\$21,894	*	*	*	\$4,000	\$9,448
<i>Human services contract budget (\$ millions)</i>	\$1,288.7	\$1,291.6	<b>\$1,230.6</b>	\$1,334.5	<b>\$1,542.1</b>	\$1,447.8	\$416.3	\$543.2
<i>Work Experience Program (WEP) participants assigned</i>	188	110	71	*	*	*	75	149

<sup>1</sup> January 2007 Financial Plan

**Bold** - revisions from the September 2006 MMR

**“NA”** - Not Available in this report

<sup>2</sup> Expenditures include all funds. January Plan figures reflect modifications in Federal, State, and other non-City funding since the adoption of the 2007 budget.

## Noteworthy Changes, Additions or Deletions

- ACS will no longer report data for the indicators ‘Children with parent(s) attending 6-month Service Plan Reviews for children with goal of returning home (%)’ and ‘Children in foster care receiving biweekly visits from a parent or guardian (%)’. ACS is currently developing a plan to enhance case conferencing functions and develop new approaches to assessing parental involvement in service planning for children in foster care. New measures are expected to be available in the Fiscal 2007 Mayor’s Management Report.